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February 15, 2022

VIA ECF

The Honorable John P. Cronan, U.S.D.J.
United States District Court for the Southern District of New York
500 Pearl Street, Room 1320
New York, NY 10007

Re: Wang, Cheng v. Guo et al.
Case No.: 1:19-cv-02884 (JPC)

Dear Judge Cronan:

This firm represents the plaintiffs in this matter, and we write with the permission of the defendants. As Your Honor may recall, the plaintiffs, investors in an EB-5 immigration investment project LLC, brought causes of action against the defendants - immigration counsel and the LLC managing members and their principals - for breach of fiduciary duty, fraud and securities fraud, and demanded an equitable accounting for the LLC. Defendants brought a pre-answer motion to dismiss all claims on the grounds that they were subject to contractual mandatory arbitration, with the exception of the securities fraud claim which defendants moved to dismiss for failure to state a claim. On August 22, 2020, the Court (Judge Gardephe, prior to reassignment to Your Honor) granted defendants' motion with respect to the claims subject to arbitration. As for the securities fraud claim, the Court denied the motion without prejudice to renewal after the conclusion of the arbitration and stayed that claim. The Court further directed that the parties file a joint status report every 90 days until arbitration is complete, Doc. 63, and we ask that Your Honor accept this letter as that report.

Defendants in this case are represented by Jason Gottlieb, Esq. of Morrison Cohen LLP, but they have different counsel for the arbitration. This firm represents the plaintiffs in the arbitration before the AAA/International Centre for Dispute Resolution. The undersigned reports that the arbitration is still proceeding. The schedule for arbitration was extended from February 2022 to allow a defendant who was released from incarceration last month to participate in the proceedings, and hearing is now scheduled for early May 2022.

Respectfully submitted,

Kerry J. Kaltenbach

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